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FM AMEMBASSY MANILA
TO RUEHC/SECSTATE WASHDC IMMEDIATE 0898
INFO RUEHXS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS PRIORITY
RUEAWJA/DOJ WASHDC PRIORITY
RUCNFB/FBI WASHINGTON DC PRIORITY
RUEAIIA/CIA WASHDC PRIORITY
RHEHNSC/NSC WASHDC PRIORITY

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SIPDIS

SENSITIVE
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DEPT FOR EAP, EAP/MTS, INR/EAP, EAP/PD
NSC FOR H. MORROW

E.O. 12958: N/A

TAGS: [PGOV](#) [PINR](#) [PINS](#) [KPAO](#) [ASEC](#) [RP](#)

SUBJECT: ARAGONCILLO GUILTY PLEA ANNOUNCEMENT NETS BIG
PRESS PLAY

REF: 05 MANILA 4809

¶1. (U) This message is Sensitive but Unclassified -- Please handle accordingly.

¶2. (SBU) Summary: The May 4 USDOJ announcement that former FBI analyst Leandro Aragoncillo pleaded guilty to espionage and other charges received significant press play in the Philippines. GRP reaction was basically restrained, mixed with some chortling over the Opposition's predicament (several key Opposition figures are entwined in the case as alleged recipients of classified information provided by Aragoncillo). Those listed as unnamed "co-conspirators" by the USDOJ, including former president Estrada and one of his sons, have been put on the defensive by the announcement. Some Filipinos have reacted by claiming that the USDOJ announcement was purely "a U.S. matter." End Summary.

¶3. (U) A Big News Story: The May 4 USDOJ announcement that former FBI analyst Leandro Aragoncillo has pleaded guilty to espionage and other charges has received significant press play in the Philippines, including coverage on radio and television. Since Saturday, May 6, the story has earned front-page coverage in most of the Philippines' newspapers. The Philippine Daily Inquirer's banner headline on May 6 stated, "Aragoncillo admits spying for GMA foes: Erap, Ping named co-plotters in bid to oust Gloria." (Note: "Erap" is the nickname of former president Joseph Estrada and "Ping" the nickname of Senator Panfilo Lacson. End Note.) Meanwhile, the Philippine Star's front-page headline declared, "Palace: Espionage a shameful act." Many of the articles also mentioned the case of Michael Ray Aquino, a former Philippine National Police official, who was among those who Aragoncillo specifically identified as a "co-conspirator" in the transfer of classified documents and information. By May 9, the case had also become a subject of a slew of editorials and op-eds (a selection of such commentaries is being sent septel).

¶4. (U) GRP Reaction: Press Secretary and Presidential Spokesperson Ignacio Bunye said on May 6 that the admission by Aragoncillo that he passed classified information to certain politicians in the Philippines proved "beyond doubt a conspiracy to oust the President; and that those involved include prominent officials who have caused embarrassment to the country by their actions." He described Aragoncillo's admission as a "shameful act of a political cabal" which justifies the "vigilance" of the GRP to protect its national security and survival. He added that Malacanang expects more information to come out about links between Aragoncillo and

Opposition political figures as the case unfolds. Bunye added that the GRP would steer "a careful course given the sensitive issues at stake, including relations with the U.S.

¶5. (U) Executive Secretary Eduardo Ermita was quoted as stating that the Aragoncillo announcement could strengthen the cases of "rebellion" against personalities involved in alleged plots to oust the President, a point also made publicly by Solicitor General Eduardo Nachura. Ermita added that the government would take (unspecified) action based on its own laws and legal procedure, while it respects U.S. processes. Presidential chief of staff Michael Defensor said the apparent involvement of Opposition leaders in the Aragoncillo espionage case may be a basis for filing treason and rebellion charges against them. Justice Secretary Raul Gonzales said the GRP would turn over Filipino politicians involved in the espionage case if they were indicted by the USG and if the U.S. government files an extradition request. He also said the Department of Justice was coordinating with Department of Foreign Affairs officials to secure copies of Aragoncillo's plea for possible use in Philippine courts.

¶6. (SBU) A Defensive Crouch: Former president Joseph Estrada and his son Mayor J.V. Ejercito downplayed the admission by Aragoncillo that the latter passed classified information to Philippine Opposition members seeking to oust President Arroyo. Senator Panfilo Lacson, who was in Kenya at a conference, was quoted as stating that he could not say if he should worry about Aragoncillo's guilty plea, as he was not facing any charges in the U.S. He described Secretary Gonzalez's declaration that the GRP would cooperate with the U.S. on any extradition requests involving Opposition members allegedly involved in the case as "virtually feeding...compatriots to the lions." In a May 8 meeting, a

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ranking Opposition figure (not involved in the Aragoncillo matter) told us that he had met with former president Estrada after the story broke on May 6 and that he (Estrada) was "very anxious" about USG intentions in the case.

¶7. (U) "A U.S. Matter": Senator Joker Arroyo, a prominent senator who has tried in the past to steer a path between Palace and Opposition forces, has called for "moderation" from all parties, urging Malacanang to back off from any effort to try to implicate Estrada and others in the Aragoncillo case for political gain. He asserted that no Philippine law was violated and the government has no role in the case (it was "a U.S. matter"). Senator Arroyo also urged the GRP to play a passive role as the case continues to unfold. Several columnists in the Philippine Star struck the same note on May 9 when they claimed that the case was a matter of U.S. law and a USG concern which did not require GRP involvement in any way at this time.

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Kenney